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A. H. C. Colquhoun

Oct. 24. 1896

From P. H. B.



FAIR TRADE

FOR

GREATER BRITAIN.

(1815-1906)
Masham, Samuel Ambrose Foster, 12th Baron
LORD MASHAM'S

LETTERS.

PRINTED AT THE "DAILY ARGUS" OFFICE, BRADFORD.

ADDRESSED TO
BOTH HOUSES OF PARLIAMENT,
IN THE HOPE THAT THESE LETTERS AND
TABLES MAY BE OF USE
IN CALLING ATTENTION TO THE SUBJECT AND
IN ELUCIDATING THE TRUTH.

Since these letters have been in the hands of the printers I have had the great gratification of seeing that the Leader of the Opposition has had the courage of his opinions, and boldly declared that there is undoubtedly danger ahead, and that it would be well to enquire into the Cause of the great and serious decline in the export of our manufactures ; although during the same period the import of foreign manufactures has largely increased, as is very clearly shown by the annexed tables. But when a leading journal (the "Daily News") can tell us in reply to Lord Rosebery's speech that "if the imports into the United Kingdom increase, and the exports diminish, that only shows that we are making a better bargain than we made before" (!!!) it is time that the schoolmaster was abroad. Now this is just what we have been doing from 1884 to 1894 : importing more manufactures, and sending less out. Have these been prosperous years ? No, certainly not. This is simply theory run mad.

Swinton, August 1, 1896.

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L O R D M A S H A M

ON

FREE TRADE.

A MOMENTOUS INDICTMENT.

P R E F A C E .

THOSE who have watched the course of events over long periods as I have done, could not fail to see that no Commercial Federation could be, or was possible, so long as the United Kingdom, rightly or wrongly, was determined to uphold Free Imports, and the Colonies on their part equally determined to maintain Protection. But in their case they have practically no option, as their necessities compel them to have duties at least for revenue. Therefore, unless public opinion, which hitherto nothing has been able to shake, can be changed, and unless the nation can be brought to see the ruinous effects of Free Imports, and how desirable it is, and how imperative it is that we should have a change, no Commercial Federation can be or is possible. And it is in the hope and the desire that I have done something towards accomplishing this very difficult task that I now place my correspondence with the Cobden Club in the hands of the public, hoping and trusting that, altogether apart from politics, public men will approach this great and momentous question with open minds, looking alone to the national good. The time is most opportune, as the Colonies are most loyal and most anxious to do everything possible to make a satisfactory arrangement. Surely the facts that I have published should convince those who have open minds, should convince all who are not absolutely fanatics, that for the United Kingdom to persevere with Free Imports means nothing less than a great national disaster, whereas, by Federation with the Colonies on a preferential basis, we not only *avert disaster*, but we build up an Empire upon which the sun never sets, and which for many generations we may reasonably hope will be "supreme in Manufactures, Trade, and Navigation."

MASHAM.

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The imports of agricultural products increased	88·3	per cent.
" " of corn "	206	per cent.
" " of wheat "	71	per cent.
" " of barley "	178	per cent.
" " of oats "	31·5	per cent.

During the same period **British grown products decreased—**

 Wheat by **48·3** per cent.

 Barley by **9·5** per cent., whilst

 Oats **increased 10·6** per cent.

Manufactured imports increased **47·3** per cent., and our exports fell **22** per cent. On the other hand our export of coal, machinery, and implements to enable the foreigner to make his own goods and sell to us rose **59·6** per cent., and imports retained for manufacture fell **27·8** per cent. Comparing the total exports of British and Irish produce in 1870-4 and 1890-4, it is found that whilst exports to British possessions have **increased** by 90·5 millions, or **29·9** per cent., those to foreign countries have **decreased** by 92·4 millions, or at the rate of **10·6** per cent.

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LORD MASHAM AND THE COBDEN CLUB.

THE SECRETARY OF THE COBDEN CLUB.

SIR,—Through the munificence of the “Statist” the country has placed before it two most valuable essays showing the possibilities of Imperial Federation under two different systems, but there is, and there must be, considerable difference of opinion as to their respective merits.

However, everyone must admit that the prize essays are a most valuable contribution to our knowledge of a very difficult and complicated problem, and will be of great use and assistance when considering the question. Mr. Colmer’s statistics, so lucidly put, will be especially valuable. But we must not lose sight of the fact that the Colonies have repeatedly stated that no Commercial Federation is possible so long as the United Kingdom insists upon free imports; there is the crux!

And it is in the hope of doing something towards removing this difficulty that I now address myself to the Cobden Club, as I think the time is opportune for challenging those who support the present fiscal system to show cause why it should be continued. But at the same time I am very desirous that, if there is any controversy, it shall be of a friendly character, as I have but one object in view, to endeavour to the best of my ability to elucidate, and to enforce the truth, for the national good. From my vast, I might almost say from my unrivalled experience (extending over sixty and more years), as I have at different times been engaged largely in four out of six of our greatest industries, and I am still engaged in three of them, I think I may claim to speak with the authority of age and experience when I say that free imports are slowly but surely destroying our productive power as a nation. Hence my challenge not alone to the Cobden Club, but to all who are prepared to defend and uphold free imports. Enclosed I am sending you my first challenge, published months ago in the “Times” and other papers, and so far as I know it has never been answered: “That Protection will give more employment and better wages than free imports, and upon this I am prepared to stand or fall.” And my second challenge is that “Free

imports have been and are injurious to the country, and have seriously lessened the productive power of our great industries, and pro tanto greatly lessened the national wealth." And following in some measure the lead of the "Statist," and to give a little zest and eclat to the affair, I shall be prepared to forfeit a thousand guineas to Guy's Hospital if the Club can prove me to be wrong, but if they fail they shall forfeit the like amount to the hospital funds, the whole question to be decided by arbitration.—I remain, yours faithfully,

MASHAM.

P.S.—Will you please lay this before the Council at the first meeting? You will pardon me for saying that Cobden never advocated free imports; he was much too wise for that. On the contrary, he was a Fair Trader, for when he found to his great disappointment that Free Trade was impossible, he then negotiated the French Treaty, and a great mess he made of it.

Clunimore Lodge, May 26th, 1896.

FAIR TRADE versus FREE IMPORTS.

CLUNIMORE LODGE,

June 6th, 1896.

THE SECRETARY OF THE COBDEN CLUB.

SIR,—Looking at the leader in the "Manchester Guardian" (which I enclose) as being inspired, or at any rate as being quite reasonable and proper when the writer says "No would-be reformer has ever succeeded in his enterprise who has not first demonstrated clearly the evils he has desired to remove, and of his proposed remedy," I readily admit that what I have hitherto issued in the form of leaflets has been more especially intended for the working classes, and has therefore been written with a certain amount of license not unusual in such literature. But I will now endeavour to restate my case as taken from my various letters. Fortunately, it does not require much elaboration from me, as it can be made quite clear to the capacity of any ordinary working man in a very few words.

I have always said that I was content to rest the issue between Fair Trade and Free Imports on the all-important question as to **which would give the most employment and the most wages**, and some years ago, during Mr. Bright's lifetime, I repeatedly asked him this question: "How can the work or wages of a British cobbler be increased by the free importation of French boots?" But he was much too wise to attempt to answer it, as he must have seen that the true answer to this very simple question proves beyond dispute the fallacy of Free Imports. Lord Farrer would say that the British cobbler might lose his work, but as all trade was barter the foreign boots would have to be paid for with "something else," say Leicester stockings, so that the nation would have the advantage of cheaper boots, and employment would be given to Leicester workpeople to compensate for any loss that the British cobbler might suffer. All this is very plausible, and very deceiving, but let us look a little further. Suppose the French boots were taxed and say practically shut out—what then? The British cobbler would have his work and employment, and the product of his labour would, of course, be exchanged for "something else," say Leicester stockings, just the same as if the boots had been made by the foreigner. Now, we see very clearly that free imports would only give us the making of the stockings, whereas Protection would give us both the boots and the stockings.

Is it not, therefore, evident beyond all question or dispute, that Protection will give more employment (and that is what the great army of the unemployed want, and, I may say, demand), twice as much, let me repeat again, twice as much as free imports; and, mark, this applies to everything that we import that we can make ourselves. Is there, then, any wonder that all the civilised nations of the world are Protectionists, seeing how important and necessary it is for them to find employment for their people? Lord Farrer would say: "Yes, that is so, but you are going to have dear boots; and going to tax the whole country in order to find work for the British cobbler, or it may be the worsted or silk weavers, or any other industry that requires to be protected, as the same reasoning applies to all." And now we come to the crux of the whole question, and you cannot escape from it, if even the protected product costs more, and it will, but it need not be any loss to the nation.

Let me now prove the truth of that statement. Suppose that

foreign iron girders could be delivered in England at say £4 per ton, but that similar girders would cost the British maker £4 10s. Under such conditions the British iron girder trade would either have to collapse, or it must be protected.

Let us now consider what the nation would gain in this case by Protection—probably four times as much as the consumer would lose. Consider well the vast amount of capital and labour employed in producing that girder. Look at the vast sums and the labour expended upon iron mines, coal mines, blast furnaces, &c. What is the loss to the consumer? A mere bagatelle in comparison to the destruction of such a trade by free imports. And then, again, by producing the girder at home instead of importing it you provide double employment both for capital and labour, as the British girder would be exchanged for “something else,” exactly the same as if it had been made abroad. Consider well the enormous amount of capital and labour expended in obtaining the crude ore from the bowels of the earth, and also the coal necessary to smelt and manufacture it, and the serious outlay in blast furnaces, and the vast sums paid in wages in all these operations, and the traffic gain to the railways, and also the profits of the shopkeepers, and all the subsidiary trades that depend upon the iron industry. All these things are vastly more profitable and of far greater importance to the nation than a trifling saving in cost to the consumer.

Let me now explain the difference between wise Protection and unwise, taken from my pamphlet published in 1892.

For illustration, suppose we take a piece of Bradford soft goods. The wool comes from Australia, is British grown, and carried in British steamers. It is warehoused in London, sold at auction, and forwarded to Bradford, where it is sorted by the wool merchant, combed and spun, then manufactured, and finally dyed and finished for the merchant. Now it is evident that there must be a large national gain in all these operations, both in capital and labour, to subsidiary trades, such as coal, iron, soap, leather, wood, dyewares, &c., &c., consumed in its manufacture, and also the shopkeepers' profits derived from the wages earned by the operatives. Should I be wrong in estimating the national advantage or gain at 20 per cent. ? It is probably much more. Now comes the whole important question : **Is it for**

the national advantage and general prosperity to allow this industry to be destroyed because French goods can be imported 5 per cent. cheaper? It appears to me, as a man of business, that it is not the way to get rich to lose 20 per cent. to gain 5, but that is what we are doing to the extent of millions. The consumer, by buying French goods, saves 5 per cent., but the Bradford producer loses 20. I again ask, is not production the source of all wealth?

The real point to be considered, from a national point of view, is whether the duty enhances the price to the consumer in a greater ratio than the united gains (and other advantages) of all the producers? If not, the nation must gain. If the duty was fixed at say, 20 per cent., any increase of price up to that point paid by the consumer would be no national loss, as it would be more than gained by the great army of producers. Now this is not Protection, but wise production. But if you fix your duty beyond 20 per cent. that would be unwise Protection, because then the price might be enhanced beyond the possible gains of the producers, and so the nation might lose to that extent. Therefore, the rule should be in all cases to fix the duty at about what might, on a liberal estimate, be considered the gain and national advantage to the great army of producers.

America, and most other nations, fix their scale of duties so high that the loss to the nation must be enormous. They make as great a mistake in having their duty too high as England does in having none at all.

I rely upon the above statement as clearly proving that "Protection will give more employment, more work, and more wages than free imports, and upon this I am prepared to stand or fall."

Now we come to my second challenge—"That free imports have been and are injurious to the country." * And now for the proof.

"A nation, whether it consumes its own productions, or with them purchases from abroad, can have no more to spend than it produce. Therefore the supreme policy of every nation is to develop its own producing forces."

* This does not apply to raw materials.

There we have an axiom that cannot be controverted, or even disputed. And further, **“Profitable production is, and must ever be, the true source of all national wealth.”** This, I think, is also incontestable. Let us now measure free imports by these undeniable truths.

In order that we may more readily understand and see the result of free imports, it may be well to divide the fifty years into two epochs. Say, the first twenty-five years were years of prosperity; but the last twenty-five years have been anything but satisfactory, although for the moment we have less reason to complain; but agriculture and cotton are still suffering. If, however, we examine the effect of free imports upon six of our principal industries separately, we shall see practically what has been the result upon the whole trade of the country during our most prosperous years. First, as to agriculture, although the ports were open, no corn or other farm produce came to do the farmer any mischief. Corn, on the average, was five shillings a quarter cheaper, but beef and mutton were dearer; so that, as Mr. Bright said at Glasgow, “the farmers were in a state of glorification.” Mark, there was no cheap loaf during our prosperous years; this is very important to be remembered. Then again, as to cotton, we imported no cotton manufactures nor wool goods, nor iron, so they all flourished; but the silk manufacture was nearly destroyed, as foreign silks were imported in large quantities; but the coal trade prospered, as it has always done, when the general trade has been good. So that we see clearly that free imports had little or no effect upon the general industries of the country, and yet we are told that they were the chief cause of our prosperity. It is absurd to say anything of the kind. It is a gross delusion, but, on the contrary, they did great mischief to many of our smaller industries, and almost destroyed the very important industry of silk. But worse than all this, we lost our bargaining power, and this has enabled foreigners to put up hostile tariffs which we have been powerless to prevent, most seriously damaging and crippling our foreign trade. And yet, in spite of this, we are told by men who should know better that our prosperity was owing to free imports. Again, I say never, never was there a more foolish delusion, and the future historian will stand amazed at England’s folly.

And now as to the last epoch—the last twenty-five years. There we have no difficulty in seeing their ruinous effects. Our greatest

industry, agriculture, is all but destroyed, and every industry, without a single exception, shaken to the very foundation, although some of them are for the moment more prosperous owing to the modification of the United States tariff.

But when you consider that we are importing about ten millions of wool goods, and twelve millions or more of silks, and enormous quantities of other manufactures, amounting altogether to seventy or eighty millions per annum, this in itself, I think, should be enough to alarm any country. But it is even worse than this when you remember the astounding fact, as Mr. Colmer in his prize essay shows, **that between the years of 1890 and 1894 we were actually on the average exporting some eighteen millions less in value to foreign countries than between 1870 and 1874**, although the population had increased by more than eight millions during that period, so that we are rapidly losing both the home and the foreign markets, — and the home is vastly more important than the foreign. And when we add to all this the ruin of our greatest industry, “agriculture,” is there any wonder that there has been grievous distress in the land, and there will be again unless we change our fiscal policy? These facts show very clearly the way we are going. But probably I shall be told that I am a pessimist, and that the income tax shows how capital is increasing, and the savings banks how prosperous the workers are. My reply is that both France and the United States can show better results.

Now mark, it is not a question as to the wealth of the nation, but what is the effect of free imports upon our national industries. I say, undeniably, the effect is to enormously reduce their productive power, and pro tanto to lessen the wealth and spending power both of capital and labour, as production is, and ever must be, the true source of all national wealth. And we have a most striking example of this in the overflowing Budget of last year. Most of our great industries were producing more, thus capital and labour were earning more. Cheapness had nothing to do with it, as, if anything, things were dearer. **But, dear or cheap, first produce, then you can spend, and not otherwise.** And yet England has adopted a fiscal policy which is slowly but surely destroying her productive powers.

But perhaps my case would scarcely be complete unless I briefly, very briefly, pointed out why we were prosperous in the fifties, sixties, and seventies. Might I ask what it was that enabled Great Britain to astonish the world with the great Exhibition of 1850? All the nations put together at that time could not have approached it, or anything like it. Then what was it? I say the power of the inventor. There you saw Watts' steam engine, George Stephenson's locomotive, Hargreaves and Arkwright's spinning machinery, Cartwright's power loom, and a hundred other inventions. There you saw the wonderful commercial power of England concentrated under one roof, and the nations of the world were astonished, perfectly amazed, and well they might be. And mark well, all this was produced under Protection. If the Cobdenites could have claimed it we should never have heard the end of it.

What gave us the lead and start as manufacturers? Watts' steam engine. What gave us the cotton and wool manufactures? Hargreaves and Arkwright's spinning machines and Cartwright's power loom. What enabled us to travel over land and sea with wonderful rapidity? Stephenson's locomotive and my compressed air brake, patented in 1848, making it safe to run at fifty miles the hour. What was it that gave us the carrying trade of the world? I crossed the Atlantic six times about the year 1834, and the carrying trade was altogether then in the hands of the Americans. But Watts' steam engine, combined with iron steamers, soon changed all that. But the Cobdenites say that it was Free Trade. Bosh! All nonsense!

What has made the Australian colonies the great and prosperous communities they now are? It is due largely to my wool-combing machinery, patented in 1846, 1847, and 1848, as without this or some other mechanical contrivance it would have been impossible to have used profitably such enormous quantities of wool. Other inventors had been trying to accomplish this difficult task for more than forty years. I combed mechanically the first pound of Australian wool at Manningham. Then, again, what has made Manningham probably the finest and largest silk manufacturing concern in the world? The power of the inventor, the patent velvet and plush power loom, and many other inventions.

And, finally, although I claim much of our prosperity as being due to our great army of inventors, undoubtedly there were many

causes—the Californian gold discovery, Franco-German War, &c.—but of this I am very certain, that free imports have never done us good, but serious mischief. Although I am conscious that most of the leading statesmen of both sides of politics think otherwise, whilst most of the leading journals at least profess to do, **still I am convinced from my lengthened experience that free imports greatly cripple and diminish the productive power of our various industries, and as production is the true source of all national wealth they must be a serious loss to the country.**—
I remain, yours faithfully, MASHAM.

P.S.—If the Club should elect to accept the challenge, then Arbitrators could be agreed upon.

THE COBDEN CLUB AND LORD MASHAM'S CHALLENGE.

On the 12th of June Lord Masham's offer to submit the question to arbitration was declined by the Cobden Club, and his lordship then wrote as follows to the Club, and to the Press of the country :—

CLUNIMORE LODGE,

PITLOCHRY, June 13th, 1896.

TO THE SECRETARY OF THE COBDEN CLUB.

DEAR SIR,—Thanks for your letter of the 12th. I will endeavour once more to explain to the Club the position that I take, and if granted we need not discuss the question further.

Fortunately, perhaps, there never has been any problem of such vast and far-reaching consequences to all nations, and to all countries alike, that can be so readily and easily proved. “I have always said that I was content to rest the issue between Fair Trade and Free Imports on the all-important question as to which would give the most employment and the most wages,”—because employment means production, which is undoubtedly the true source of

all wealth,—and in my pamphlet I have proved, as I think beyond dispute, that Protection will give more employment and more wages than free imports by the following illustration :—Suppose we exchange Leicester stockings for French boots ; in that case half the labour would be English,—that is for the stockings, and the other half would be French, for the boots. But suppose a duty were put on the French boots, and we made both the stockings and the boots at home, there would then be double the employment for both capital and labour. So far I think this is quite clear and beyond dispute. A free importer would, however, object because the boots would be somewhat dearer. But, as I state in my pamphlet, “the real point to be considered from a national point of view, is whether the duty enhances the cost to the consumers in a greater ratio than the united gains (and other advantages) of the producers ? If not, the nation must gain. If the duty was fixed at, say 20 per cent., any increase of price up to that point paid by the consumer would be no national loss, provided that it was more than gained by the great army of producers. Now this is not Protection, but wise production. But if you fix your duty beyond 20 per cent., that would be unwise Protection ; because then the price might be enhanced beyond the possible gains of the producers, and so the nation might lose to that extent. Therefore the rule should be in all cases to fix the duty at about what might, on a liberal calculation or estimate, be the gain and national advantage to the great army of producers, but more especially to put the duty relatively higher on articles of luxury so as in some measure to assist in finding honest work and wages for our great army of the unemployed. This, of itself, is a most important factor. America and other nations fix their scale of duties so high that the loss to the nation must be enormous. They make as great a mistake in having their duties too high as England does in having none at all.

“I rely upon the above statement as clearly proving that wise Protection will give more employment, more work, and more wages than free imports, and upon this I am prepared to stand or fall.”

Now, this challenge was published in the “Times” six months ago, not alone to the Cobden Club, but to all who support free imports, and yet no one has ventured to reply.

With all deference to the Club, I think it is their duty either to prove that I am wrong, or honourably, fairly and frankly admit

that I am right—as I have only one object in view, to ELICIT THE TRUTH, as a guide to our future fiscal policy, upon which so much depends.—I remain, yours faithfully,

MASHAM.

Lord Masham, whilst waiting for a reply from the Club, wrote the following letter to the “Times,” giving further proof of the disastrous effects of free imports :—

FURTHER PROOF OF THE DISASTROUS EFFECTS OF FREE IMPORTS.

SIR,—The Cobden Club in their letter to me of the 12th are vastly amusing, as, nothing daunted, they proclaim in their most grandiloquent style “that the United Kingdom reigns supreme in manufactures, trade, and navigation.” Now, it is by this sort of wild and misleading assertion, and also by hiding the truth, that England has so long been deceived and led astray. But what are the facts? Agriculture, which should be and is the mainstay of every country, is in a state of collapse! The iron industry, which, next to land, has always been considered one of the best and safest of British industries, is in a state of rapid decay. In 1882 we were supreme, the ironmasters of the world; our production of pig iron was 8,586,680 tons, but in 1894 it was 7,427,342 tons! * And now America is supreme; they have gone far ahead of us—and this is all with Protection, mark. Then again, in cutlery in 1894 “made in Germany” exported £3,704,100; in the same year made in the United Kingdom £1,834,481. We are not supreme there. We were in 1882. We then exported £4,107,125! It is perfectly distressing to read such figures. There we see in a very marked manner how Germany under Protection has gained, and how England has lost under free imports; and it is much the same with every industry. I cannot too often repeat and enforce that the productive power of the United Kingdom is being destroyed by free imports. It is true that for the moment the iron trade is fairly busy, chiefly owing to war shipbuilding. And now we come to

* In 1874 our export of iron and steel manufacture, was £31,190,256, in 1884 it was £24,496,065, and in 1894 it had fallen to £18,688,763.

cotton ; there we are supreme. But neither Protection nor anything else can save Lancashire from a great collapse at no distant day. Even now the figures are not satisfactory, as in 1874 we exported of yarn and cloth £74,247,625, and in 1894 only £66,564,529 ! Coming events cast their shadows before them, if I mistake not. Then as to wool manufactures. For the present Yorkshire is busy, chiefly owing to the change in the American tariff ; but here again the figures show distinctly how very seriously we are being beaten both in the home and also in the foreign market. In 1874 we exported wool manufactures of cloth and yarn £28,359,512, and in 1894 £18,728,946 ; and we imported in 1894, what looks almost impossible, no less than £11,000,000 from foreign countries. All this is very deplorable, and unless we change our fiscal system it means nothing but ruin. But then to cheer us the Cobden Club tells us triumphantly that the United Kingdom reigns supreme in manufactures, trade, and navigation. What a supreme delusion ! And linen is just as bad, as in 1874 we exported £8,832,533, and in 1894 only £5,443,860. Such figures should cause the nation to go into mourning. Then as to silk, it is about as usual, as rickety as it well can be—just alive, and that's all. We have the very pleasant figures to look at, that we import upwards of twelve millions and only export about a million and a half ! I might also point to the ruinous state of many other industries, such as the tin-plate workers, the sugar refiners, the corn millers, and any number of other industries, all in a state of collapse ; but I think that I have proved my case up to the hilt, that “ Free imports have been, and are, injurious to the country,” and the Cobden Club knew better than to accept my challenge. Although they say that we are supreme, we are going faster down the hill than any nation ever did in history. But before I close I wish to say a few words in answer to Mr. Thwaites, as I have been accused of shirking it.

About ten years ago I pointed out in the press that taking into consideration the long hours and cheaper labour of France it was costing us £60,000 or £70,000 a year more in England, and that it would pay us to remove the entire concern (Manningham Mills). The difference is not so great now, although it is very considerable, as we have been obliged to reduce our wages (owing to foreign competition), and it was this that led to the great strike, lasting twenty-one weeks. Having lowered our wages, the difference is not now so

large, but we should have advantage of the two markets, a protected home market and a free market for surplus stock—so very nice for the middleman and consumer, but death, absolute death, to the British producer; and it is not possible for any individual concern, or for any nation, to withstand such unfair competition. Ruin, ruin; it means nothing but ruin. The figures speak for themselves, and when all the producers are ruined and destroyed what then will become of the consumers? Can they live without production? Let them try!

I am sending my pamphlet to the members of both Houses of Parliament, and a copy of this letter to all the leading journals, in the hope that I may be able to thoroughly arouse the country to the vast importance of reconsidering our fiscal policy, and the danger, serious danger, of any further delay.—I remain, sir, yours faithfully,

MASHAM.

Clunimore Lodge, Pitlochry, June 22nd, 1896.

P.S.—About ten days ago I had sent to me from New York “Curtiss’s Protection and Prosperity,” by far the most important and comprehensive work ever published, not very pleasant reading for the British Free Trader; but it should convince him of his folly if anything will. Many of my figures are taken (after verification) from “Made in Germany,” a capital book, full of instruction.

LORD MASHAM AND THE COBDEN CLUB.

ANOTHER FALLACIOUS ARGUMENT ANSWERED.

TO THE EDITOR OF THE “BRADFORD DAILY ARGUS.”

SIR,—Having, in my letter of the 22nd, shown very clearly that we are not quite so “supreme” as my friends of the Cobden Club would wish us to believe, and having given them a problem to solve, upon which eventually will turn not our fiscal policy alone but

that of all nations—"that Protection will give more work, more wages, and more employment than free imports"—and which so far no one has ventured to impugn, by your permission I would now wish to say a few words with regard to a minor obstruction which blocks the way to Commercial Federation with the Colonies. I refer to those "unlucky treaties" as Lord Salisbury calls them. From some cause I regret to say that in these latter days we are perfect cowards in such matters. Statesmen dare no longer act on their own judgment, and the public to whom they profess to look for guidance are either supine or know little or nothing about it, and so unfortunately nothing is done. Mr. Ashton, in his "Statist Prize Essay," tells us that "in imports the trade with Belgium and Germany is nearly one-half, and in exports more than one-half of our trade with the whole of our English possessions and protectorates," and then in so many words tells us how foolish it would be to endanger such a trade for the sake of increasing it with the Colonies. Mr. Ashton has no doubt been very clever in dressing up what looks like a very formidable "bogie," but it is only a "bogie" and nothing more.

Let me point to one fact which should be, and is, quite sufficient to settle the question as to whether there should be any real danger. In one item of sugar alone we import from Germany to the value of 10 millions, besides an immense quantity of other things. Consider what this means. Consider now how agriculture and other industries are enriched by it. Could she find another market in the whole world that could replace our custom even in part? Then what would the collapse of such an industry mean in the case of a war of tariffs, as our Colonies could readily supply us with all we require and with great advantage to the nation. Then, I ask, looking how she is enriched, largely at our expense by our open markets, could she, would she, dare she object to our right to trade preferentially with our Colonies, which they claim and have a right to expect, and which is granted by and common to every nation except the United Kingdom? Thus, Germany, *hors de combat*, there remains only Belgium to be considered.

From Mr. Ashton's figure I see that in 1894 she sent us as much as 17 millions, and we in return only 7 millions of British and Irish manufactures and produce, so that it is quite clear we have nothing to fear there. It is quite true that we sent her 5 millions also of

foreign and Colonial produce, but in this we have only a secondary interest.

Certainly I was surprised that at the recent Congress of the Chambers of Commerce no one put forward what I suggested in the "Times" a short time ago, and what appears to be simplicity in itself, viz., "That the Colonies should retain all their tariffs exactly as they now stand, but with the understanding that they should not be increased in the future on British goods, and also that in return for the United Kingdom giving them preferential treatment they should reduce their present duties by 5 per cent. in favour of home-made goods, and increase them by 5 on foreign, so as to make a difference of 10 per cent. in our favour"; and if it were found upon trial that it depleted the revenues too much of any of the Colonies, it might be altered to such a point as was found to be necessary. Say it might be reduced 3 per cent. on British manufactures, and increased by 7 on foreign goods, so as always to have a difference of 10 per cent. in our favour, and in this manner it could be adjusted to meet any difficulty.

As to what the United Kingdom would be called upon to do to satisfy public opinion, and also the Colonies, is not for me to say in the compass of a letter.—I remain, yours faithfully,

Clunimore Lodge, June 27th, 1896.

MASHAM.

LORD MASHAM AND THE MANNINGHAM STRIKE. FREE IMPORTS AND LOW WAGES.

Lord Masham addressed the following letter to the Editor of the "Times," in reply to an article referring to the above subject:—

SIR,—You will pardon me for saying that you have scarcely done me justice in your leader of the 29th, but it is partly my own fault for not explaining why the difference is not now so great as it used to be between working a concern in France and working it in England. I was, however, very unwilling to touch upon a very disagreeable subject, the great strike.

When the McKinley Bill came into force we lost practically all our American trade, which at that time was half the business, and we were either obliged to close or to find a new market, and we had

no possible chance to do anything of the kind except by reducing wages. Owing to my having worked patent machinery I had for many years paid more than the usual wages of the district, but they had to be reduced to something near the Continental standard, and that led to the terrible strike, lasting twenty-one weeks. The workers were obliged to submit to the inevitable; and for several years after we were unable to employ more than half their number, about two thousand instead of five thousand; we are rather better now.

But surely the "Times" will never venture to say that free imports can raise wages? The thing is absolutely impossible; there can be no mistake about that. Free imports may have many blessings—at least some people think so—but they never, never can raise wages; down they must go. Not even Trades Unions can prevent it. Just as our power of production declines, and it is, as I have shown, declining in almost every industry (except for a momentary spurt), so will wages go down. Production and wages will and must go together. Why have we hitherto been able to pay higher wages than the Continent? Because we have had greater producing power. Lose that—and we are losing it fast—and then our wages will and must go lower even than the Continent. It is as certain as that water will find its level.

But unless my challenge can be answered, "That Protection will give more work, more wages, and more employment than free imports," Free Trade is doomed the first time that we have to face the great army of the unemployed.—I remain, yours truly,

Clunimore Lodge, June 30th, 1896.

MASHAM.

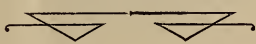
THE COBDEN HERRING.

Writing on some considerations of facts connected with Commercial Federation, a "St. James's Gazette" essayist says:—

What, then, is the explanation of our decreased export? It needs to be hammered into the mind of every man in the English Empire that England's foreign rivals are supplanting her in the trade with the daughter States. Here is an instance: Canada took (roughly) 50 per cent. more of German iron and steel, and of English nearly 100 per cent. less in 1894 than in 1893. By way of parenthetical

comment, it may be remarked that it was Canada that in 1894 convened a conference of representatives of the Empire to discuss how trade within the Empire might best be furthered. It was Canada's Prime Minister who declared that "the great object of their hopes" was that "the ocean which divides the Colonies shall become the highway for the people and their products."

Iron is not a solitary instance of Canada's desertion of the motherland; nor is Canada the only colony which deserts; nor is Germany the only (albeit the chief) supplanter of England. In other leading trades, in well nigh every colony, with every rival of consequence, the same melancholy fact is observable. Canada's purchases of all kinds from Germany have increased in value from £93,806 in 1880 to £1,200,317 in 1894—an increase, that is, of nearly 1,200 per cent. No need to make allowance for diminished price here! For those same fifteen years Victoria shows a decreased import from England (from £5,892,834 to £4,830,956) and a growth of German imports from £27,434 to £284,638—an increase of well over 1,000 per cent. The other Australian colonies furnish the same clamant contrasts. Take South Africa. The Cape of Good Hope is a colony which the free-trader cites as an instance of progress. It is true that our exports thither have increased, the figure for 1880 being £6,183,309, and for 1894 £9,098,783—an increase, that is, of about 50 per cent.; but the population has increased by about 150 per cent. Germany's increase has been from £38,182 to £448,412—an increase of over 1,100 per cent. And the minor possessions are mostly in the same way. Moreover, that Germany is not the only favoured rival the proof is equally manifest. Belgium, in the fifteen years we have named, has multiplied her export to Canada nearly fourfold; even France has much more than doubled hers. Holland doubled hers; Switzerland more than trebled hers; while the United States, who were a million below us in 1880, were more than three millions above us in 1894. In 1880 Belgium's exports to New South Wales were so insignificant that the Statistical Abstract denotes them with a blank; they were worth £115,119 in 1894. Even France, again, nearly doubled hers. To the Cape Holland's exports rose from nil to £135,747. Norway and Sweden were nearly quadrupled.



WHAT OF THE FUTURE?

Mr. Joseph Mason, in an excellent essay on "An Imperial Customs Union," written in competition for the "Statist" prize of 1000 guineas, draws the following conclusions:—

A more tremendous issue, pregnant with possibilities of good or evil, is scarcely within the sphere of material things. Assume that we remain as we are; that, relying on the achievements of the past, we remain blind to the vivid indications of the present, and to the obvious menaces of the near future,—then a period of national decadence, of waning industries, and of poverty-stricken workers will assuredly set in; and that at a time when probably no energy and no devotion of the people can avert it; and ere long these islands must cease to take a leading place in the scale of nations.

But what of the obverse picture? One is almost overwhelmed by a contemplation of the possibilities which wise, prompt, and prudent measures, aiming at a practical consolidation of this great Empire, would assuredly convert into a bright and glorious reality. The vast capabilities of this British Empire, taken as a whole, have, in some degree, been enlarged upon. The great question is how far this United Kingdom, mighty and commanding in its present potentiality, can retain to itself the head and leadership of this grand confederacy. Limited only North and South by the ice barriers of the Poles, and without limit the wide world round, the British Empire commands every natural resource, and every element of potential wealth in as great abundance as any region or aggregation of regions that the earth can boast; with abundant room, through countless generations, for the development and multiplication of the hardy race who, in every clime, and in all conditions of life, are proud to call themselves Britons. The practical future of the Anglo-Saxon and kindred races is surely the grandest that ever fell to the lot of a human family.

These very serious facts and figures show that if we wish to secure our valuable colonial markets we have no time to lose.



LORD SALISBURY ON THE DUTY OF THE GOVERNMENT.

LORD SALISBURY ON THE EMPIRE AND OUR DUTIES.—On the 21st of October, 1884, Lord Salisbury declared at Dumfries—

“The first function of the Government, its most vital and imperative duty, is to care for the vast industry whose prosperity or depression means the difference between well-being or misery, between health and disease, between a life of hope and a life of despair, to the millions of our fellow-countrymen.”

LORD SALISBURY ON TARIFFS.

It must be remembered that Protection would not only give us our home market, but we should also once more regain our bargaining power, without which it is not possible for us to obtain justice and a fair exchange with the foreigner.

See what Lord Salisbury said at Hastings, May 18th, 1892:—
“We live in an age of a war of tariffs. Every nation is trying how it can, by agreement with its neighbour, get the greatest possible protection for its own industries and at the same time the greatest possible access to the markets of its neighbours. This kind of negotiation is continually going on. It has been going on for the last year and a half with great activity. I want to point out to you that what I observe is that while A is very anxious to get a favour of B, and B is anxious to get a favour of C, nobody cares two straws about getting the commercial favour of Great Britain. What is the reason of that? It is that in this great battle Great Britain has deliberately stripped herself of the armour and the weapons by which the battle has to be fought. You cannot do business in this world of evil and suffering on those terms. If you go to market you must bring money with you; if you fight you must fight with the weapons with which those you have to contend against are fighting. It is not easy for you to say, ‘I am a Quaker—I do not fight at all; I have no weapon,’ and to expect that people will pay the same regard to you, and be as anxious to obtain your goodwill and to consult your interests, as they will be of the people who have retained their armour and still hold their weapons. The weapon

with which they all fight is admission to their own markets—that is to say, A says to B, ‘If you will make your duties such that I can sell in your market, I will make my duties such that you can sell in my market.’ But we begin by saying, ‘We will levy no duties on anybody,’ and we declare that it would be contrary and disloyal to the glorious and sacred doctrine of Free Trade to levy any duty on anybody for the sake of what we can get by it. It may be noble, but it is not business. On those terms you will get nothing, and I am sorry to have to tell you that you are practically getting nothing. The opinion of this country, as stated by its authorised exponents, has been opposed to what is called a retaliatory policy. (Oh). But it has. We, as the Government of the country at the time, have laid it down for ourselves as a strict rule from which there is no departure, and we are bound not to alter the traditional policy of the country unless we are convinced that a large majority of the country is with us, because in these foreign affairs consistency of policy is beyond all things necessary. But though that is the case, still, if I may aspire to fill the office of a counsellor to the public mind, I should ask you to form your own opinions without reference to traditions or denunciations—not to care two straws whether you are orthodox or not, but to form your opinions according to the dictates of common sense. I would impress upon you that if you intend, in this conflict of commercial treaties, to hold your own, you must be prepared, if need be, to inflict upon the nations which injure you the penalty which is in your hands, that of refusing them access to your markets.”

THE COMMERCIAL UNION OF THE EMPIRE.

When lecturing in the Mechanics’ Institute, Bradford, Feb. 3rd, 1880, I said “I proposed to look at a brighter page, and see if England cannot once more regain her lost position by calling around her all her loyal children from the ends of the earth and creating such a real Free Trade as shall make her the most glorious and prosperous nation in the world. I readily admit that wise Protection would give considerably more employment to the working classes, but it would only be a palliation and not by any means a cure for our commercial difficulties.”

It is fifteen years since. At that time I was simply preaching to deaf ears as one crying in the wilderness without a hearer. But now a remarkable change has taken place. The United Chambers of Commerce when meeting in Dublin were unanimously in favour of the Unity of the Empire, and Canada has spoken out with the same voice, and most of the Colonies through their representatives. We have also Lord Rosebery and his Free-Traders with their Federation League, and also Mr. Lowther and his Fair-Traders and their United Empire Trade League ; all being equally anxious and equally zealous to found a Greater Britain.

Then might I ask what stops the way ? **Free Imports ! Change your fiscal policy, and then nothing can or will stop your way to a great and glorious empire.**

ADAM SMITH'S FAIR TRADE DOCTRINES.

Hear what the apostle of Free Trade himself, Adam Smith, says :—

“ When both (manufactures) are the produce of domestic industry it necessarily replaces by every such operation two distinct capitals, which had both been employed in supporting productive labour, and thereby enables them to continue that support. The capital which sends Scotch manufactures to London, and brings back English manufactures and corn to Edinburgh, necessarily replaces by every such operation *two British* capitals, which had both been employed in the agriculture and manufactures of Great Britain.

The capital employed in producing foreign goods for home consumption when this purchase is made with the produce of domestic industry, replaces, too, by every such operation two distinct capitals, but *one of them only* is employed in supporting domestic industry. The capital which sends British goods to Portugal and brings back Portuguese goods to Great Britain replaces by every such operation *only one British capital*. The other is a Portuguese one. Though the returns, therefore, of the foreign trade of consumption should be as quick as those of the home trade, the capital employed in it will give but *one-half the encouragement to the industry of productive labour of the country*.

A capital, therefore, employed in the home trade will sometimes make twelve operations, or be sent out and returned twelve times before a capital employed in the foreign trade of consumption has made one. *If the capitals are equal therefore the one will give four-and-twenty times more encouragement and support to the industry of the country than the other.* — “Wealth of Nations,” Book II., Chap. 5.

Adam Smith, in the above, more than supports my contention that it is far wiser to make your girders or anything else at home, as by so doing you employ *double the labour* (which is just what we want) and *double the capital*.

COBDENISM, NOT FREE TRADE.

Adam Smith, the author of “The Wealth of Nations,” and the originator of the Free Trade theories, was not a Cobdenite. He not only believed that a policy of retaliation was permissible, but declared that in certain cases it might be absolutely necessary. Any Cobdenites who are unaware of this fact can satisfy themselves on this point by referring to the Thorold Rogers edition of “The Wealth of Nations,” vol. II., page 40, in which, discussing this point, the author remarks:—

There may be good policy in retaliation of this kind when there is a probability that they will procure the repeal of the high duties or prohibitions complained of. The recovery of a great foreign market will generally more than compensate the transitory inconvenience of paying dearer for a short time for some sort of goods.

This is not Cobdenism; it is common-sense. And it is the deliberately expressed opinion of the philosopher whom Cobdenites claim as the parent of their creed. But this is not all. Adam Smith not only regarded retaliation as a valuable and necessary weapon in international commerce, but he distinctly supported the principle of having a tax upon imports for the encouragement of home industries under special conditions. On page 35 of the volume already referred to he refers to

two cases in which it will generally be advantageous to lay some burden upon foreign for the encouragement of domestic industry. The first is when some particular sort of industry is necessary to the defence

of the country. The second case . . . is when some tax is imposed at home upon the produce of the latter. In this case it seems reasonable that an equal tax should be imposed at home upon the produce of the former.

Here again we have commonsense, but not Cobdenism. The doctrine of Adam Smith is the doctrine of the Fair Trader of to-day.

The attitude adopted by Smith is that taken by the leading exponents of political economy and Free Trade who have followed him. Professor J. Stuart Mill, the author of the standard handbook on the principles of political economy, is an even stronger defender of the wisdom and necessity of retaliation than Smith, and his views are plainly set down in black and white, so that there is no possibility of misconceiving them. In Laughlin's edition, page 582, in the chapter on "Taxes on Commodities," appears the following pregnant passage :—

A country cannot be expected to renounce the power of taxing foreigners unless foreigners will in turn practice towards itself the same forbearance. The only way in which a country can save itself from being a loser by revenue duties imposed by other countries on its commodities is to impose corresponding revenue duties on theirs.

Here is the Fair Trade principle of Reciprocity openly preached by one whom the Cobdenites claim as a very apostle of political economy. The "only way" to prevent loss is to impose retaliatory duties. Here is commonsense again, but no Cobdenism. To whom then do the disciples of the false prophet of Manchester look for support in their foolish policy of non-resistance in matters of international commerce and taxation ?

It is certainly not to M'Culloch, for decided as are the opinions of Smith and Mill, those of M'Culloch are still more decided. In his "Treatise on Taxation" (third edition, page 209) he unreservedly defends the principle of taxation of imports, declaring :—

Moderate duties on imports are among the most productive and the least objectionable of taxes. They are collected with the greatest facility, involving no inquiry into the circumstances of individuals, as is the case with taxes on income and property, nor any interference of any sort with the processes carried on in the acts, as is the case with excise duties.

This again is the whole case of the Fair Trader. It is commonsense and not Cobdenism. With our own recent experience in regard to

the American trade he who would repeat the Cobdenite fallacy that the consumer has to pay the whole of the import duty would be both very bold and culpably ignorant of facts which were brought home to every worker in Bradford; therefore it is not necessary to devote space to the consideration of that particular point. Another fallacious argument of Cobdenism—that an import tax increases cost out of all proportion to the impost—is disposed of by M'Culloch himself. In his "Principles of Political Economy" he says:—

Everybody knows that there is the same keen and close competition in the trades subjected to excise duties, that there is in those that are duty free, and that a moderate increase in the cost of an article, whether occasioned by a tax or anything else, uniformly serves to stimulate the exertions of its producers. This objection (to import duties) is therefore quite untenable, and was perhaps hardly worth notice.

And yet this objection which is "hardly worth notice" is, and has been, made the occasion of furlongs of writing in the Cobdenite press, marked by characteristic boldness of assertion and casuistry of argument, with the purpose of showing that it was fatal to all duty proposals. Bradfordians know how the McKinley tariff "stimulated the exertions" of producers here, and led to a general cutting down of wages and prices, all of which America got the benefit of. Even on the great bugbear of Cobdenism, a duty in corn, M'Culloch is arrayed in open opposition to the false doctrines so assiduously preached to-day. He declares in his "Commercial Dictionary" (1869), page 438:—

A duty may be equitably imposed on imported corn for two objects, that is either for the sake of revenue, or to balance any excess of taxes laid on the agriculturist over those laid on the other classes.

Here again it is the voice of the Fair Trader and not of Cobdenism which speaks. A duty on corn—not a prohibitive but a revenue duty—would add very largely to the National income without making any appreciable difference in the weekly cost of the labourer's family. The huge fall in the price of corn of late years has not led to any corresponding decrease in the price of bread, and even the Cobdenite "Spectator" a few months ago had to acknowledge that the loaf was the same size and price with corn at 20s per quarter that it had been with corn at 30s; showing that the whole of the difference was absorbed by the middleman. The fact is that bread is so cheap—not owing to Cobdenism, but to the increased facilities of carriage

and the entrance of the silver coinage wheat-growing districts of India on the market—that its cost is one of the least important factors in household expenses, and a duty upon corn would, to quote M'Culloch's opinion, be “among the most productive and least objectionable of taxes,” besides being, as Adam Smith points out, desirable as giving encouragement to an industry “necessary for the defence of the country.”

The quotations we have given amply support our proposition that the policy of Cobdenism cannot be reconciled with the views of the apostles of Free Trade, of whom Cobdenites claim to be followers. They also show that the founders of the science of political economy held views identical with those preached by the Fair Traders to-day. Such being the case we again demand from Cobdenism here, its spokesmen on the platform or in the Press, on whose authority they preach the foolish and illogical doctrines which are now associated with Cobdenism and on what basis they dare defend them? —“Bradford Daily Argus,” Oct. 14th, 1895.



ABSTRACT OF BOARD OF TRADE RETURNS.

GREAT INCREASE OF AGRICULTURAL IMPORTS.

	1874.	1884	1894.
Cows, Oxen, &c.	£3,296,460	£3,271,020	£3,285,044
Sheep	1,610,355	2,149,704	804,823
Swine	358,226	84,153	16
Horses	535,711	256,789	603,502
Bacon and Hams	5,902,429	8,740,881	10,855,715
Beef	523,326	2,793,475	4,556,502
Mutton.....	Included in	1,411,051	4,341,227
Meat.			
Pork	704,435	620,071	772,102
Preserved Meat, &c.	1,092,847	1,455,488	1,490,902
Butter	9,050,025	12,543,455	13,456,699
Margarine	Included in	Included in	3,044,810
Butter.			
Oleo Margarine	—	—	221,421
Cheese	4,483,927	5,001,635	5,474,940
Milk, &c., Fresh.....	—	—	21,371
Milk, &c., Condensed	—	—	1,079,235
Eggs	2,433,134	2,910,493	3,786,329
Poultry and Game.....	270,264	670,609	480,884
Rabbits	Included in	Included in	297,818
Poultry.			
Potatoes	1,034,835	824,205	1,030,091
Onions	279,926	532,007	765,040
Vegetables	139,259	426,970	1,090,370
Apples	—	—	1,389,421
Pears.....	—	—	411,316
Cider.....	—	—	17,309
Lard	884,596	1,535,123	2,758,416
Hops	929,041	1,615,309	774,378
Maize	7,482,720	7,297,823	7,952,238
Hay	—	—	1,174,619
Straw	—	—	151,132
Plants	105,611	211,906	350,460
	£41,117,187	£59,357,167	£77,438,130
Increase, 1894 over 1874, 88·3 per cent.			

IMPORT OF CORN, exclusive of that included above.

	1874.	1884.	1894.	Inc. 1894 OVER 1874.
Flour (cwts.) ...	6,236,044	15,095,301	19,134,605	206 per cent.
value	£5,685,076	10,163,783	7,994,673	
Wheat (cwts) ...	41,527,638	47,306,156	70,126,232	71 „
value	25,236,932	19,901,794	18,760,505	
Barley (cwts) ...	11,335,396	12,953,015	31,241,384	176 „
value	5,291,287	4,220,411	7,090,579	
Oats (cwts).....	11,387,768	12,921,866	14,979,214	31·5 „
value	5,116,732	4,191,791	3,900,096	

GREAT DECREASE OF PRODUCTION OF CORN IN UNITED KINGDOM.

ACRES CULTIVATION OF	1874.	1884.	1894.	Decrease.
Wheat	3,830,767	2,750,558	1,980,228	48·2 per cent.
Barley	2,507,130	2,346,041	2,268,193	9·5 „
Oats	4,038,825	4,276,866	4,524,167	10·6 increase

POPULATION OF THE UNITED KINGDOM.

1874.	1884.	1894.	Increase 1894 OVER 1874.
32,501,517	35,724,231	38,786,053	19·5 per cent.

GREAT INCREASE OF MANUFACTURED IMPORTS.

	1874.	1884.	1894.
Watches and Clocks	£874,831	£1,043,263	£1,305,741
Gloves and Boots	1,700,586	2,025,459	2,463,205
Leather Dressed, &c	2,438,853	5,417,997	7,094,046
Leather Manufactured	254,833	209,510	300,898
Paper, &c.....	1,077,917	1,447,144	2,654,070
Book Prints, Stationery, and Pictures	832,932	977,533	1,210,249
Glass.....	1,587,413	1,615,716	2,685,062
Furniture, Housefitting	970,934	1,024,888	1,270,975
Paint Colours	589,716	796,137	910,801
Fur and Rugs.....	617,276	1,587,438	1,685,920
Toys	294,257	626,370	964,465
Matches	—	—	381,126
Wood (sawn)	13,474,935	9,790,656	12,441,310
Chemical Manufactures	1,020,535	1,504,021	1,375,489
China, Porcelain, &c.....	323,507	550,600	619,572
Arms and Ammunition.....	384,311	473,189	242,528
Lace	676,401	930,890	1,279,352
Embroidery.....	25,279	56,983	546,906
Buttons and Beads	538,158	397,198	362,152
Artificial Flowers	447,051	332,256	375,366
Straw Plaiting	—	—	910,337
Hats and Bonnets	105,325	160,241	184,554
Musical Instruments.....	747,710	815,188	942,989
Cordage	552,665	518,678	559,969
Stone Cut, &c.	343,419	546,277	724,446
Caoutchouc Manufactures	93,036	262,336	445,327
Cork Manufactures	390,882	481,066	575,875
Oil Perfumed and Perfumery	254,725	210,241	413,019
Hair Manufactures	64,166	104,601	142,814
Sugar — Refined, Lump, and Loaves	4,172,113	4,452,851	10,824,353
Molasses and Glucose	334,334	503,833	768,763
Confectionery and Succades	342,605	784,195	334,104
Oil Seedcake	1,579,254	2,040,217	1,707,358
Sewing Machines	included	284,255	213,247
Girders	in iron	inc. in iron	428,230
Tyres	m'fact'rs	m'factures	37,982
Iron and Steel Manufactures	1,325,776	2,693,422	2,594,962
Brass, Copper, Tin, and Zinc Manufactures, &c.....	578,789	560,662	745,724

GREAT INCREASE OF MANUFACTURED IMPORTS.--(Continued.)

	1874.	1884.	1894.
Iron, Pig. Bar, &c.	£1,596,019	£1,369,363	£984,397
Copper, Regulus, Precipitate, &c.	4,299,204	4,070,152	4,232,955
Metal Leaf Manufactures.....	77,163	198,876	286,696
Cotton Manufactures, Cloth and Yarn.....	1,630,661	2,239,860	3,219,448
Jute Yarn	111,101	85,333	54,418
Linen Manufactures, Cloth and Yarn	333,462	537,339	1,048,671
Silk Manufactures and Yarns	12,128,310	11,333,552	13,101,272
Woollen and Worsted Manufac- tures and Yarn	5,600,194	8,713,710	11,464,015
Miscellaneous Detailed.....	1,411,551	1,411,737	925,454
Goods Manufactured, unenum- erated	4,634,202	6,305,730	7,349,087
	£70,897,391	£81,490,963	£104,429,699

Increase, 1894 over 1874, 47.3 per cent.

Population, do. 19.5 per cent.

DECREASED EXPORTS OF MANUFACTURES.

	1874.	1884.	1894.
Apparel	3,200,853	3,936,483	4,122,863
Haberdashery and Millinery	6,140,460	2,851,892	1,246,631
Hats and Umbrellas	1,298,231	1,733,528	1,478,358
Paper	1,062,778	1,531,394	1,412,649
Books and Stationery	1,590,848	2,017,571	2,015,415
Hardware and Cutlery.....	4,403,399	3,142,711	1,834,481
Arms and Ammunition.....	1,782,867	1,735,217	1,870,790
Earthenware, &c.	1,861,760	1,955,694	1,758,680
Caoutchouc.....	901,703	1,004,730	1,152,854
Carriages, &c.	366,729	1,285,761	801,748
Furniture.....	374,799	716,248	418,798
Glass.....	1,183,515	1,051,769	715,398
Leather, including Boots and Shoes	3,548,925	3,977,424	3,546,778
Painters' Colours	1,161,234	1,293,880	1,374,034
Telegraphic	2,112,801	2,509,153	1,386,614
Cement	728,942	871,015	703,339
Oilcloth	355,693	634,945	752,415
Bags	1,750,002	1,006,311	468,797
Chemicals, Alkali, Bleaching, and Medicine	5,798,968	5,047,993	5,192,499
Iron and Steel	51,190,256	24,496,065	18,688,763
Copper, Tin, Lead, Brass, &c.....	4,587,600	5,011,711	3,848,192
Cotton, Yarn, and Cloth	74,247,625	72,748,232	66,564,529
Linen do.....	8,832,533	6,315,775	5,443,860
Jute do.....	1,925,550	2,776,524	2,423,933
Silk do.....	3,134,062	2,788,361	1,564,890
Woollen do.	28,359,512	24,026,986	18,728,946
Manufactures, not enumerated ...	4,903,465	4,157,365	2,792,037
Manufactures, miscellaneous	5,414,321	6,175,148	5,435,900
	£202,254,531	£186,800,386	£157,744,241

Decrease of 1894 over 1874, 22 per cent.

Increase of population 1894 over 1874 195 per cent.

GREAT INCREASE OF MACHINERY AND COAL EXPORT.

	1874.	1884.	1894.
Implements, &c.....	£414,017	£994,504	£1,194,594
Machinery (excluding steam engines)	6,535,229	8,894,701	11,140,112
Coal	12,433,075	11,920,030	18,610,493
	£19,382,321	£21,809,235	£30,945,199

Increase, 1894 over 1874, **59·6** per cent.
 Population do. **19·5** per cent.

RAW MATERIAL IMPORTED AND RETAINED.

	1874.	1884.	1894.
Raw Cotton.....	43,862,880	39,106,350	28,277,426
Flax	5,423,935	2,941,171	2,437,054
Hemp	2,062,292	1,733,919	1,334,265
Jute	2,949,560	2,446,526	3,057,232
Silk, Raw.....	2,003,529	3,079,360	875,864
Silk, Waste.....	416,421	824,526	528,347
Wool.....	10,326,418	10,823,208	11,295,784
Alpaca, &c.....	556,158	474,325	210,138
Goat's Hair	1,039,005	1,261,269	757,487
Bark, Peruvian.....	52,199	226,163	6,850
Bristles.....	404,967	428,509	374,006
Caoutchouc	790,214	1,117,012	1,470,974
Gum	351,243	271,854	259,514
Gutta Percha	281,617	408,053	375,710
Hides	3,083,068	2,139,436	1,342,764
Ivory	—	204,004	163,399
Bones	546,657	445,813	407,705
Guano	1,198,650	353,875	135,615
Nitre.....	1,201,480	928,293	1,100,445
Phosphate	—	623,994	712,192
Hewn Wood	7,767,178	4,611,176	4,114,295
Tar	250,849	114,028	56,168
Tallow and Stearine	2,181,790	1,767,457	1,481,509
Resin	432,368	367,939	321,332
Paraffin	102,866	343,423	606,029
Paper Making Material	1,311,559	1,851,766	2,039,670
Woollen Rags.....	547,092	528,270	627,941
	£89,143,995	£79,421,719	£64,369,715

Decrease, 1894 over 1874 **27·8** per cent.

Increase in Population, 1894 over 1874, **19·5** per cent.

**EXPORTS OF BRITISH AND IRISH PRODUCE from 1870 to
1894 (in millions and tenths of millions) with destination
distinguished.**

	Foreign countries.	Colonies and India.	Total.	Proportion of Foreign to British Possessions.
	£	£	£	
1870	147·7	51·8	199 5	.....
1871	171 8	51 1	222·5	.....
1872	195·7	60 5	256 2	.....
1873	188 8	66·3	255·1	.....
1874	167 2	72 2	239 5	.....
	<hr/> 871·2	<hr/> 301·9	<hr/> 1172 8	..... 289 to 100
1875	152·3	71 0	223·4	.....
1876	135·7	64 8	200 6	.....
1877	128·9	69 9	198·8	.....
1878	126·6	66 2	192 8	.....
1879	130 5	61·0	191 1	.....
	<hr/> 674 0	<hr/> 332·9	<hr/> 1006·7	..... 203 to 100
1880	147·8	75·2	223·0	.....
1881	154 6	79 3	234·0	.....
1882	156 6	84 8	241·4	.....
1883	156·3	83 4	239·7	.....
1884	152·1	80·8	233 0	.....
	<hr/> 767·4	<hr/> 403·5	<hr/> 1171·1	..... 190 to 100
1885	135·1	77·9	213·1	.....
1886	137·0	75·6	212·7	.....
1887	146·5	75·3	221·9	.....
1888	150·2	84·2	234 5	.....
1889	165 6	83·2	248 9	.....
	<hr/> 734·4	<hr/> 396·3	<hr/> 1131·1	..... 189 to 100
1890	176·1	87·3	263·5	.....
1891	161·2	85 9	247·2	.....
1892	152·4	74·6	227·0	.....
1893	146·0	72·0	218·0	.....
1894	143·1	72·6	215·8	.....
	<hr/> 778·8	<hr/> 392·4	<hr/> 1171·5	..... 190 to 100

**INCREASE in value of export trade to BRITISH POSSESSIONS
1890·4 over 1870·4,**

90·5 millions..... 29·9 per cent.

**DECREASE in export trade to FOREIGN COUNTRIES,
1890·4 over 1870·4,**

92·4 millions..... 10·6 per cent.

**TOTAL EXPORT TRADE of the two periods, 1870·4 and 1890·4,
2344·3 millions.**

A DECREASE of 11 per cent., or nearly equal..... 1·3 millions.

SUMMARY TABLE.

	1874.	1884.	1894.	1894 OVER 1874.
	£	£	£	
Agricultural Imports	41,117,187 ...	59,357,167 ...	77,438,130 ...	Increase 88·3 per cent.
Manufactured Imports.....	70,897,391 ...	81,490,963 ...	104,489,699 ...	„ 47·3 „
Manufactured Exports.....	202,254,531 ...	186,800,386 ...	157,744,241 ...	Decrease 22 „
Coal, Machinery. &c.....	19,382,321 ...	21,809,235 ...	30,945,199 ...	Increase 59·6 „
Population	32,501,517 ...	35,724,231 ...	38,786,053 ...	„ 19·5 „
Imports retained for Home } Manufacture	89,143,995 ..	79,421,719 ...	64,369,715 ...	Decrease 27·8
Imports of Flour.....				Increase 206 „
Imports of Wheat				„ 71 „
Imports of Barley				„ 176 „
Imports of Oats				„ 31·5 „
British Production—Wheat				Decrease 48·2 „
British Production—Barley				„ 9·5 „
British Production—Oats				Increase 10·6 „
Export trade to British possessions 1890·4 over 1870·4.....				Increase 29·9 „
Export trade to Foreign Countries do do				Decrease 10·6 „

THE PRESENT STATE OF BRITISH TRADE.

—:O:—

It will thus be seen from the tables given that whilst the population has increased from 1874 to 1894 at the rate of 19·5 per cent. agricultural imports have increased at the enormous rate of 88·3 per cent., whilst there has been at the same time a greatly decreased amount of land devoted to corn production in the United Kingdom. During the same period our import of manufactured goods has increased by 47·3 per cent.; and so far from our manufacturing exports having gone up in proportion they have gone down 22 per cent. in the 20 years, and we are supplying foreign competitors with implements, machinery, and coal at the increased rate of 59·6 per cent.

When we take the raw materials imported less the amount exported, that is the balance retained for manufacture, we find that there is a decrease in 1894 over 1874 of 27·8 per cent.

Taking the total values of exports of British and Irish produce from 1870 to 1894 and comparing the two periods of 1870 to 1874 and 1890 to 1894, we find that whilst the gross amount of this trade is nearly equal, the value of exports to British possessions have increased by 90·5 millions or 29·9 per cent., and those to foreign countries have decreased by 92·4 millions, or at the rate of 10·6 per cent.



CHALLENGE No. 1:

THAT PROTECTION WILL GIVE MORE EMPLOYMENT, MORE WORK, AND MORE WAGES, AND UPON THIS I AM PREPARED TO STAND OR FALL.

CHALLENGE No. 2:

I SAY THAT FREE IMPORTS HAVE BEEN AND ARE INJURIOUS TO THE COUNTRY. This is my second challenge to the Cobden Club: let them prove me to be wrong if they can.